STATE WATER RESOURCES CONTROL BOARD BOARD WORKSHOP SESSION OFFICE OF RESEARCH, PLANNING, AND PERFORMANCE APRIL 5, 2022

ITEM 6

SUBJECT

BOARD WORKSHOP ON WATER LOSS PERFORMANCE STANDARDS

DISCUSSION

Under the proposed regulation, urban retail water suppliers would be required to meet water loss standards based on their own unique characteristics. The proposed regulation would require urban retail water suppliers to do the following: 1) Respond to questionnaires on data quality, pressure management, and asset management; 2) Comply with individual volumetric real loss standards, if assessed as economically feasible by the State Water Board's economic model; 3) Submit apparent loss data, if apparent losses are above a historic baseline; and 4) Submit annual reports of breaks, repairs, and estimated water losses to the State Water Board. These requirements are proposed to come into effect over several years, with the individual water loss volume requirement being assessed in 2028, or, for those serving disadvantaged communities (DACs) or that qualify for the proposed alternate compliance pathway, in 2031, and on a three-year basis thereafter.

A public comment period for the proposed water loss regulation ran from December 24, 2021, to February 11, 2022.

This workshop will be an opportunity for Board member discussion on comments received regarding the proposed regulation. Specific topics will include:

- 1) Approaches for adjusting standards for suppliers with benefit-cost ratios under one in the economic model.
- 2) How the regulation would apply to small systems with less than 3,000 service connections.
- 3) How the regulation could alter suppliers' incentives for consolidation and how consolidation could impact compliance with the regulation.
- 4) How the regulation would apply to suppliers who oversee multiple systems.

Staff will open with a short presentation on the above topics and will then support discussion of the proposed regulation.

POLICY ISSUE

This workshop item will help staff develop revisions to the regulation text, as appropriate.

FISCAL IMPACT

This is an workshop item.

REGIONAL BOARD IMPACT

None.

STAFF RECOMMENDATION

No decisions will be made at the workshop.